

The Recovery Act in Michigan

3rd Quarter 2010

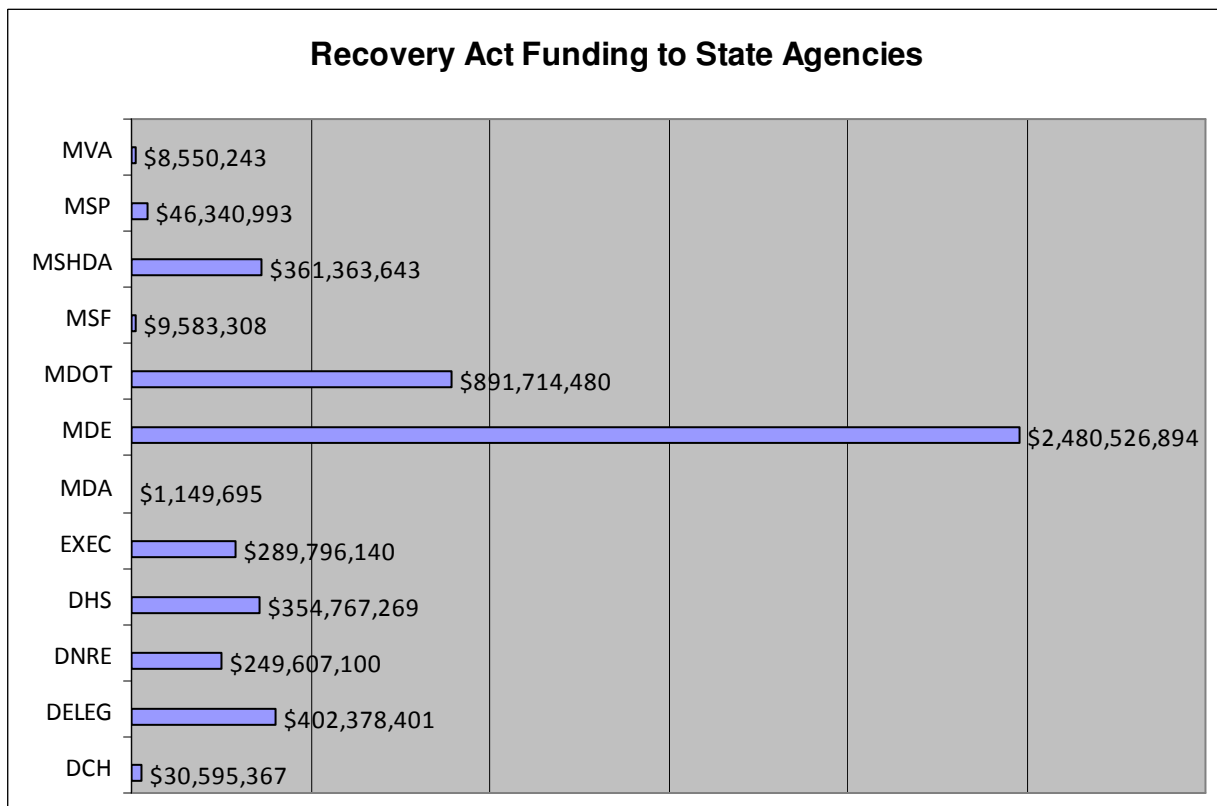


The federal government requires an unprecedented level of data reporting and transparency regarding the spending of Recovery Act funds. In Michigan, we, too, are committed to transparency and accountability in the expenditure of these funds so citizens will know they are being invested wisely and responsibly on their behalf.

Section 1512 Reporting: October 2010

Section 1512 of the Recovery Act requires that recipients of funding submit quarterly reports on their activities and spending. By statute, these reports are due to the federal government ten days after the close of each quarter.

Twelve state of Michigan agencies received funding, detailed in the chart below, under the Recovery Act from a variety of federal agencies. Totals represent funding as of September 30, 2010.



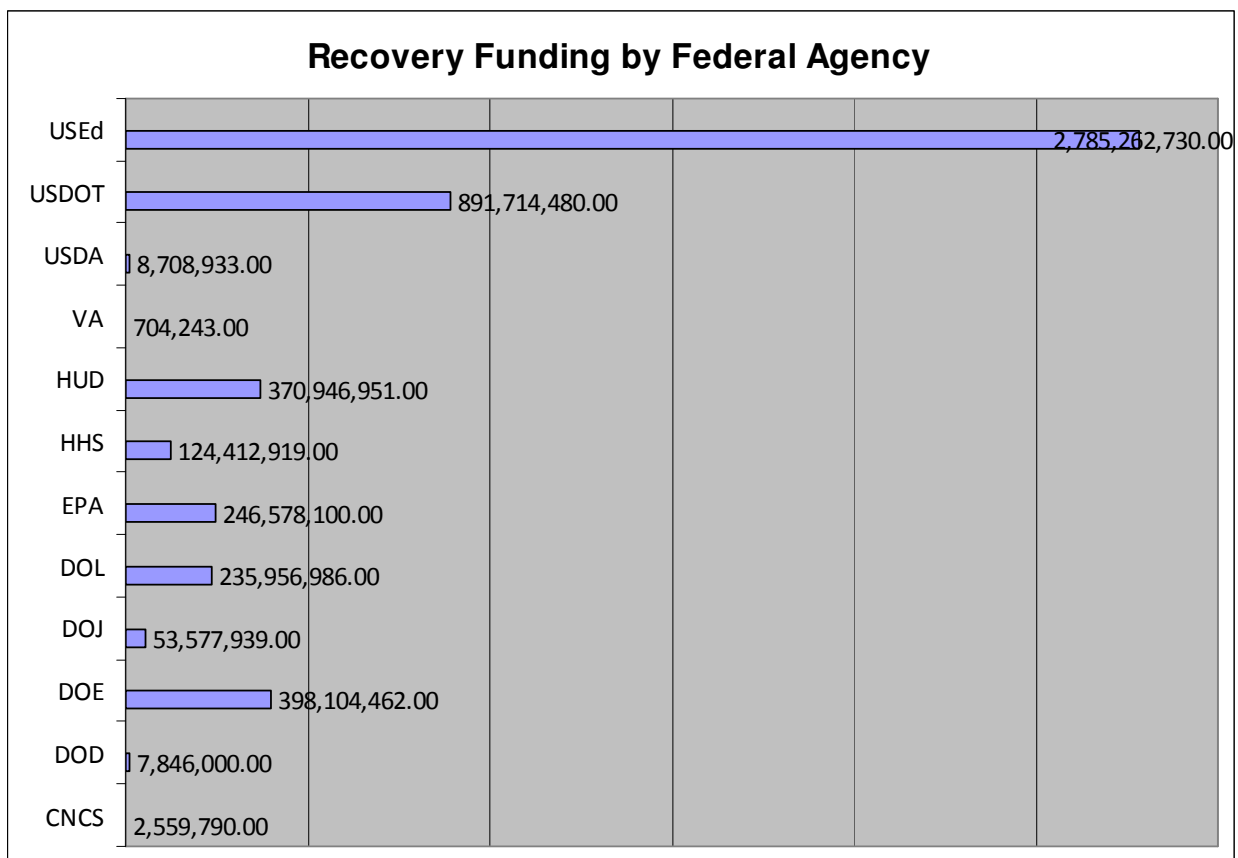
Under federal guidelines, state agencies that received Recovery Act funding were required to submit a separate report for each federal funding award they received. The Michigan Departments of Community Health, Natural Resources and Environment, Human Services, Transportation, Education, State Police, Military & Veterans Affairs and Energy, Labor & Economic Growth along with the Executive Office, Michigan Strategic Fund and the Michigan State Housing Development Authority submitted a combined 843 reports.

In addition, non-state agencies, including municipal governments, universities, community colleges, tribal governments, non-profit organizations and for-profit companies are required to submit reports for each award they receive through the Recovery Act.

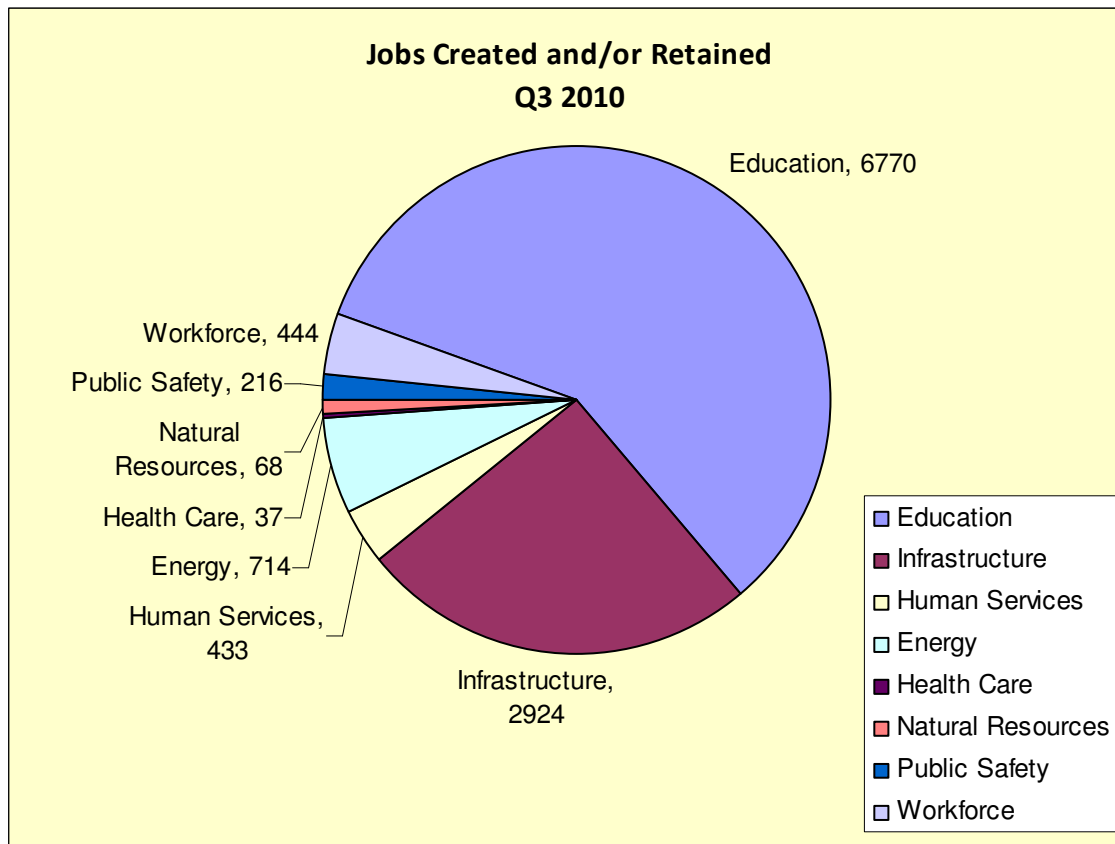
NOTE #1: None of the spending activities reported by these non-state agencies are included in the statistics that follow. All reports from non-state agencies, as well as the state agency reports represented in this document, will be available to the public on October 30, 2010 at www.Recovery.gov.

The state of Michigan's 843 reports showed:

- **\$5,126,373.533.00 has been allocated to state agencies in programs required to report.** The chart below highlights allocation by federal agency through September 30, 2010.



- **\$2,989,323,345.31 has been spent to date by state agencies and their sub-recipients in programs that must submit Section 1512 reports.**
- **11,606 jobs created or retained in this quarter through spending in programs required to report.** Since the inception of the Recovery Act, state and non-state recipients in Michigan have reported more than 81,000 jobs retained or created with Recovery Act funds. The chart below details job creation by category resulting from funds received by state agencies for the third quarter of 2010.



NOTE #2: All recipients have a review period (October 11-15) during which they can edit their reports. On October 16th, federal agencies begin their review period during which time they have the opportunity to request changes and/or corrections, if necessary, by the entity submitting the report. The federal agency review period ends on October 29. As a result of this review process, all data should be considered preliminary until the final reports are published on Recovery.gov on October 30, 2010.

Additional Recovery Act Spending in Michigan

Not all programs receiving Recovery Act funding are required to submit Section 1512 reports. Entitlement programs, payments made directly to individuals and tax provisions are not covered by Section 1512. Major programs not included in the Section 1512 reports include Medicaid, unemployment benefits and food assistance payments.

In addition, funding provided directly to local communities, institutions of higher education, non-profit organizations, tribal governments and others is not captured in the state reports. Therefore, the information contained in the state's Section 1512 reports represents only a portion of the overall impact of the Recovery Act.

The current economic climate has created many challenges for Michigan's families and communities. The Recovery Act is helping meet those challenges by providing critical funding for our economic priorities: job creation, health care, education and job training, social service programs and more.